



The Commonwealth of Massachusetts
House of Representatives
State House, Boston 02133-1054

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CHAIRMAN
Committee on Ways and Means

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To the Honorable Members of the Massachusetts House of Representatives:

In this document the House of Representatives Committee on Ways and Means presents its recommendations for the Fiscal Year 2012 General Appropriation Act. We are all acutely aware of the toll that the latest recession has taken on our economy as reflected by its impact on our districts. Although Massachusetts has fared better than other states during the recession, this year's budget gap forced us to make difficult choices to ensure that we meet our constitutional requirement to balance the budget. As the economy slowly recovers, the committee has strived to address the commonwealth's fiscal challenges while balancing our commitments to education, job retention and assisting those in need.

This budget is the first step in a series of structural reforms to emerge from the House that improve how state government operates. These reforms are designed to produce savings and increase government efficiencies. To start, the Committee has authorized the municipalities of the commonwealth to implement health insurance plan design changes in order to achieve savings that can be used to retain jobs and allocate more resources to education, public safety and other local services. We also took action on other health care cost-containment initiatives by conducting a reevaluation of Massachusetts' Medicaid obligations and taking measures to ensure that we are utilizing the Health Safety Net Trust Fund in a fiscally responsible manner. Finally, the Committee has recommended reforms to the committee for public counsel services to realize savings and strengthen the partnership between our public defenders and private counsel while ensuring that the commonwealth continues to uphold its duty to provide representation to indigent persons.

Our budget also includes several provisions designed to foster job growth and improve the business climate in the commonwealth. In this spirit, we have adhered to Speaker DeLeo's commitment to no new taxes or gimmicks that would place any additional burden on Massachusetts taxpayers.

This is the first state budget during the economic downturn where federal resources are not available to assist us in filling the gaps between our projected revenue and our operating costs. While there are many programs deserving of more funding, the reality of Fiscal Year 2012 does not make this possible. Still, despite these constraints, I am pleased to report that we have prioritized Chapter 70 education funding, regional school transportation, and made a serious commitment to fund the special education circuit breaker; all of which are critical parts of the assistance that we provide to our local school districts. The committee also worked tirelessly to ensure that service providers to the homeless receive adequate funding to continue their work toward providing emergency assistance and successfully rehousing families. Immediate temporary shelter will be available as it has in years past.

I would like to thank the members of the House Committee on Ways and Means for their input during the development of our budget proposal, as well as all of the members of the House who weighed in with their budgetary concerns and shared their ideas with the Committee. I also want to give special thanks to the Vice-Chair of the Committee, Representative Steven Kulik of Worthington, and Assistant Vice-Chair, Representative Martha Walz of Boston, for their efforts and assistance during the budget development process.

I look forward to working closely with all members of the House of Representatives as we engage in formal debate over the Committee's proposal. I am confident that, together, we will formulate a final budget where the commonwealth continues to provide critical services in the most fiscally responsible way possible.

Sincerely,

A handwritten signature in blue ink that reads "Brian S. Dempsey". The signature is written in a cursive, flowing style.

BRIAN S. DEMPSEY
Chairman